

**ASHBY & GEDDES**

ATTORNEYS AND COUNSELLORS AT LAW

500 DELAWARE AVENUE

P. O. BOX 1150

WILMINGTON, DELAWARE 19899

TELEPHONE  
302-654-1888

FACSIMILE  
302-654-2067

May 30, 2007

**By E-filing and by Hand**

The Honorable Joseph J. Farnan, Jr.  
United States District Court  
844 N. King Street  
Wilmington, DE 19801

Re: *Royal Indemnity Co. v. Pepper Hamilton, et al.*, C.A. No. 05-165  
*Stanziale v. Pepper Hamilton, et al.*, C.A. No. 04-1551  
*Stanziale v. McGladrey & Pullen LLP*, C.A. No. 05-72  
*MBIA Insurance Corp. v. Royal Indemnity Co.*, C.A. No. 02-1294

Dear Judge Farnan:

We write on behalf of Royal Indemnity Co. (“Royal”) in response to the proposed case management order submitted by Pepper Hamilton LLP (“Pepper”) in two of the above cases. Royal opposes that proposal for the following reasons, and submits herewith its proposed case management order.

Pepper’s proposed case management order allows no period for Royal and the Trustee to submit new expert reports in light of the Court’s prior ruling striking three expert reports, as Royal and the Trustee requested in emergency papers filed yesterday. Pepper opposes the submission of new expert reports by Royal.

The schedule Pepper proposes allows Pepper and the other defendants an additional two weeks to file their own expert reports. Ironically, this additional time would only be necessary to respond to new expert reports from plaintiffs, since Pepper has had sufficient time under the current Court case management order to respond to Royal’s other expert reports.

By contrast, Royal’s proposed case management order submitted herewith allows both Royal and Trustee to file new expert reports by June 15, 2007 in lieu of the stricken expert reports and allows all defendants the same amount of time as the current order to submit their reports (responsive to both the existing expert reports and any new expert reports).

Hon. Joseph J. Farnan, Jr.  
May 30, 2007  
Page 2

As these cases currently stand, all case management orders in each of the four above cases set forth identical schedules. We would expect, given the high degree of factual and expert overlap among the cases and the coordinated discovery and other proceedings that have occurred to date, that any revised order would apply to all four cases.

Respectfully Submitted,

*/s/Philip Trainer, Jr.*

Philip Trainer, Jr. (#2788)

cc: counsel of record on attached service list (with enclosures)  
181068.1

**SERVICE LIST**

William H. Sudell, Jr., Esquire  
 Morris Nichols Arsh & Tunnell  
 1201 North Market Street  
 Wilmington, DE 19899-1347

HAND DELIVERY

David E. Wilks, Esquire  
 Reed Smith LLP  
 1201 North Market Street, Suite 1500  
 Wilmington, DE 19801

HAND DELIVERY

Michael R. Lastkowski, Esquire  
 Christopher M. Winter, Esquire  
 Duane Morris LLP  
 1100 North Market Street, Suite 1200  
 Wilmington, DE 19801

HAND DELIVERY

John W. Shaw, Esquire  
 Young Conaway Stargatt & Taylor, LLP  
 The Brandywine Building  
 1000 West Street, 17<sup>th</sup> Floor  
 Wilmington, DE 19899

HAND DELIVERY

Karen Lee Turner, Esquire  
 Susan E. Poppiti, Esquire  
 Eckert Seamans Cherin & Mellott, LLC  
 300 Delaware Avenue, Suite 1210  
 Wilmington, DE 19801

HAND DELIVERY

Charlene D. Davis, Esquire  
 Mary E. Augustine, Esquire  
 The Bayard Firm  
 222 Delaware Avenue, Suite 900  
 Wilmington, DE 19899

HAND DELIVERY

John H. Eickemeyer, Esquire  
 Jonathan A. Wexler, Esquire  
 Vedder, Price, Kaufman & Kammholz, P.C.  
 1633 Broadway, 47<sup>th</sup> Floor  
 New York, NY 10019

VIA FEDEX

Charles A. Gillman, Esquire  
 David Montone, Esquire  
 David G. Januszewski, Esquire  
 M. Justin Lubeley, Esquire

VIA FEDEX

Cahill Gordon & Reindel LLP  
 80 Pine Street  
 New York, NY 10005-1702

Elizabeth K. Ainslie, Esquire  
 Schnader Harrison Segal & Lewis LLP  
 1600 Market Street, Suite 3600  
 Philadelphia, Pennsylvania 19103

Richard P. Swanson, Esquire  
 Veronica E. Rendon, Esquire  
 Jason M. Butler, Esquire  
 Arnold & Porter LLP  
 399 Park Avenue  
 New York, NY 10022-4690

Steven M. Farina, Esquire  
 Thomas H.L. Selby  
 Williams & Connolly LLP  
 725 Twelfth Street, NW.  
 Washington, DC 20005

Andre G. Castaybert, Esquire  
 Ronald Rauchberg, Esquire  
 Steven Obus, Esquire  
 Proskauer Rose LLP  
 1585 Broadway  
 New York, NY 10036-8299

Michael S. Waters, Esquire  
 Lois H. Goodman, Esquire  
 McElroy, Deutsch, Mulvaney & Carpenter, LLP  
 Three Gateway Center  
 100 Mulberry Street  
 Newark, NJ 07102-4079

Neil G. Epstein, Esquire  
 Eckert Seamans Cherin & Mellott, LLC  
 1515 Market Street, 9<sup>th</sup> Floor  
 Philadelphia, PA 19102

Andrew N. Yao  
 107 Leighton Drive  
 Bryn Mawr, PA 19010

VIA FEDEX

VIA FEDEX

VIA FEDEX

VIA FEDEX

VIA FEDEX

VIA FEDEX

U.S. MAIL